

§ 115C-595. Parental agreement; use of funds.

(a) Parental Agreement. – The Authority shall provide the parent of a scholarship recipient with a written agreement, applicable for each year the eligible student receives scholarship funds under this Article, to be signed and returned to the Authority prior to receiving the scholarship funds. The agreement shall be submitted to the Authority electronically. The parent shall not designate any entity or individual to execute the agreement on the parent's behalf. A parent or eligible student's failure to comply with this section shall result in a forfeit of scholarship funds and those funds may be awarded to another eligible student. The parent shall agree to the following conditions in order to receive scholarship funds under this Article:

- (1) Use at least a portion of the scholarship funds to provide an education to the eligible student in, at a minimum, the subjects of English language arts, mathematics, social studies, and science.
- (2) Unless the student is a part-time eligible student, release a local education agency in which the student is eligible to attend under G.S. 115C-366 of all obligations to educate the eligible student while the eligible student is receiving scholarship funds under this Article. A parent of a student, other than a part-time eligible student, who decides to enroll the student into the local education agency or other North Carolina public school during the term of the agreement shall notify the Authority to request a release from the agreement and shall return any unexpended funds to the Authority.
- (3) Use the scholarship funds deposited into a personal education savings account only for the following qualifying education expenses of the eligible student:
 - a. Tuition and fees for a nonpublic school that meets the requirements of Part 1 or Part 2 of Article 39 of this Chapter and is subject to the requirements of G.S. 115C-562.5.
 - b. Textbooks required by a nonpublic school.
 - c. Tutoring and teaching services provided by an individual or facility accredited by a State, regional, or national accrediting organization.
 - d. Curricula.
 - e. Fees for nationally standardized norm-referenced achievement tests, advanced placement tests, or nationally recognized college entrance exams.
 - f. Fees charged to the account holder for the management of the PESA.
 - g. Fees for services provided by a public school, including individual classes and extracurricular programs.
 - h. Premiums charged to the account holder for any insurance or surety bonds required by the Authority.
 - i. Educational therapies from a licensed or accredited practitioner or provider.
 - j. Educational technology defined by the Authority as approved for use pursuant to Part 1H of Article 9 of this Chapter.
 - k. Student transportation, pursuant to a contract with an entity that regularly provides student transportation, to and from (i) a provider of education or related services or (ii) an education activity.
- (4) Not use scholarship funds for any of the following purposes:
 - a. Computer hardware or other technological devices not defined by the Authority as educational technology approved for use pursuant to Part 1H of Article 9 of this Chapter.
 - b. Consumable educational supplies, including paper, pen, or markers.

- c. Tuition and fees at an institution of higher education, as defined in G.S. 116-143.1, or a private postsecondary institution.
- d. Tuition and fees for a nonpublic school that meets the requirements of Part 3 of Article 39 of this Chapter.

(b) No Refunds to an Account Holder. – A nonpublic school or a provider of services purchased under subsection (a) of this section shall not refund or rebate any scholarship funds to a parent or eligible student in any manner. The parent shall notify the Authority if such a refund is required.

(c) Repealed by Session Laws 2018-5, s. 38.10(m), effective for taxable years beginning on or after January 1, 2018. (2017-57, s. 10A.4(a); 2018-2, s. 6(d); 2018-5, s. 38.10(m).)